Introduction

Course Goals

The goals for this course are for you to:

- Become familiar with the budget control features in the financial system.

- Effectively use the SAM II budget control system to provide internal control measures that will restrict spending authority.

- Learn the characteristics, features, and functions of the documents, tables, and ledgers used for budget control in the financial system.

Sign-on ID's

A generic user ID will be used in this course to sign on to the training application. The generic user IDs are to be used in the training region only. You will use your own user ID in Production.

Data Cards

On each of the terminals, you will find a data card. The information on the data card will be used for some of the hands-on exercises in the class. When completing exercises, this information will be used in place of the *Provided by Instructor* literal. This information will be used for training purposes only.

Course Overview

This course covers the Financial-Budget Interface and the Budget Control Business Area.

Financial-Budget Interface

Automatic Document Generation Process

Budgets will be developed and approved in the budget preparation system. After the budgets are approved in the budget preparation system, the information will be moved to the financial system, which will be used for budget control. This budget information will be used in the creation of the following budget control documents in the financial system: the Appropriation (AP) document, the Allotment (AL) document, the Automated Expense Budget (EBA) document, and the Revenue Budget (RB) document.

Loading Financial Actuals

The financial system keeps detailed records of actual expenditures, encumbrances, pre-encumbrances and receipts. Primarily for informational purposes during the budget development cycle, actual expenditure data will be transferred from the financial system to the budget preparation system each month.

Shared Chart of Accounts

The financial system and the budget preparation system both maintain the same values for the following chart of account elements: Fund, Agency, Organization, Appropriation Unit, Budget Object Class, and Revenue Source. New values for Fund, Agency, Organization, Budget Object Class, and Revenue Source will be added to the financial system and replicated in the budget preparation system. Appropriation Unit Codes will be established in the budget preparation system and added to the financial system through the Automatic Document Generation process.

Budget Control Business Area
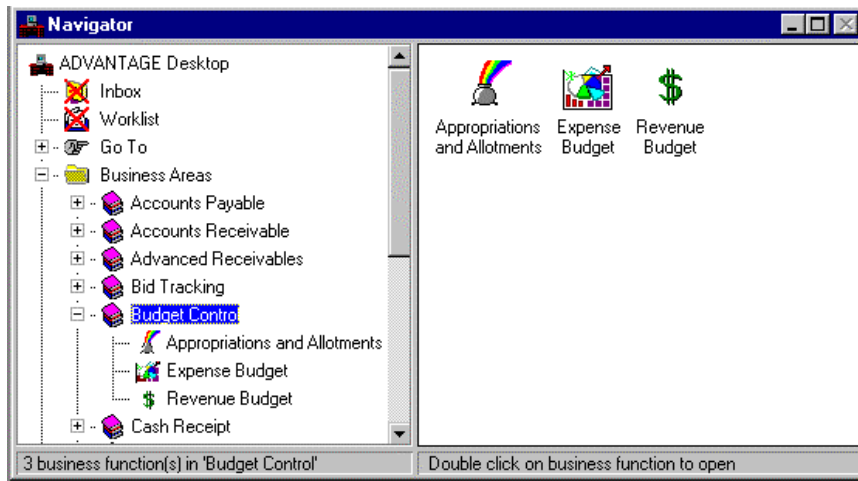
Appropriations and Allotments — EAPP, EAP2, EALL, AP, AL, AR, TA

Expense Budget — EEXP, EEX2, EEXD, EESM, EBLI, EB, EB2, TB

Revenue Budget — REVB, REV2, RSUM, RB

Terminology

Reference Tables	Reference tables are used to validate entries in the system. They require a one-time set up and are maintained by OA. An example of a reference table is the Fund Agency (FGY2) table.
Documents	Documents are used to enter transactions in the system. Many data elements are validated against the reference tables when entered. An example of a document is the Appropriation (AP) document.
Inquiry Screens	Inquiry screens are used to view data online and to inquire about transactions. They are automatically maintained by the system when documents are accepted and cannot be modified manually. An example of an inquiry screen is the Expense Budget Inquiry (EEX2) table.
Offline Ledgers	Offline ledgers are used to store data entered through documents. They are updated in the nightly cycle. Examples of offline ledgers are the temporary ledgers created to run jobs.
Chart of Accounts	Chart of accounts is a common statewide set of codes that is defined in reference tables and is used for Accounting, Budget, Procurement, and Human Resources transactions. Each of the Chart of Accounts elements (codes) represent a unique perspective from which accounting transactions are classified.
Default Codes	Default codes are processing codes that the system automatically uses in the absence of other applicable codes. Default codes are inferred from reference tables and stored in ledgers. For example, the Accounting Period field on documents defaults to the current accounting period, but this field can be changed.

Full Control	With full control, the total obligations charged against an appropriation unit or expense budget line cannot exceed the budgeted authority amount. Total obligations are the total of expenditures and encumbrances.
Cumulative Control	Cumulative control is used for allotments only. Allotment authority that is not exhausted in one quarter is automatically added to the allotment authority in the subsequent quarter. The total obligations charged against the appropriation unit cannot exceed the year-to-date allotment authority amount.
Presence Control	With presence control, transactions are checked to ensure that the referenced budget line exists. All transactions must be associated with a budget line with the same accounting distribution. When presence control is used for an expense budget line, the budgeted amount of the expense budget line may be exceeded. Full control on appropriations will keep the appropriation amount from being exceeded.
No Control	With no control, transactions are not checked against a budget line. The system maintains the budget table according to codes used on a transactions, so that total amounts by accounting distribution are available for online inquiry. In the State of Missouri, no control will be used for revenue budgets.
Appropriation	An appropriation is the legal authorization granted by the State of Missouri General Assembly and approved by the Governor to make expenditures and incur obligations for specific purposes. No expenditure or encumbrance transactions are permitted unless spending authority is granted by an appropriation. Each appropriation is limited in the amount and the time period in which it may be expended. An appropriation unit code uniquely identifies each appropriation.

Allotment	An allotment is a portion of an appropriation that has been authorized to be obligated within a set time period. Allotments are established on a quarterly basis. Since cumulative control will be used for allotments, the total obligations for a quarter cannot exceed the year-to-date allotment authority.
Governor's Reserve	Certain appropriations are subject to a Governor's Reserve. The Governor's Reserve reduces the available spending authority for an appropriation and allotment. It appears on the appropriation tables as the Reverted amount. The Division of Budget and Planning determines which appropriations are subject a Governor's Reserve.
Agency Reserve	Individual agencies can choose to establish an agency reserve on appropriations. Agencies can apply, increase, decrease, and release an agency reserve at any time during the fiscal year.
Expense Budget	An expense budget defines the intent of an appropriation. Each expense budget is established with the following codes: Fund, Agency, Organization, Appropriation Unit, and Budget Object Class. Agencies may choose to require Activity and/or Function on expense budgets. If an agency requires the use of Activity and Function on an expense budget, *all* expense budgets for that Fund/Agency combination must be budgeted by Activity and Function.

Revenue Budget	A revenue budget is the estimated amount of receipts for a fund. Each revenue budget is established with the following codes: Fund, Agency, Organization, and Revenue Source. Agencies may choose to require Activity on revenue budgets. If an agency requires the use of an Activity on a revenue budget, *all* revenue budgets for that Fund/Agency combination must be budgeted by Activity.